(b) if so, whether Government have implemented those recommendations; and

(c) if not, the reasons therefor and by when these will be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) No, Sir.

(c) Rates of subscription under Central Government Employees Group Insurance Scheme can be revised only after conducting an actuarial study of the Scheme in order to ascertain the mortality rate for its members. For doing so, specific information in respect of members of the Scheme is needed. This information is decentralised. The required inputs for conducting the study have not yet been received from various Central Ministries/Departments.

**Non-Refundable Withdrawal From GPF**

3316. SHRI N. JOTHI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether interest lost on account of non-refundable withdrawal from General Provident Fund for the purpose of construction or acquisition of house, is allowed as deduction u/s 24 of the Income Tax Act;

(b) if not, what are the reasons therefor;

(c) whether such benefit is given under Employees Provident Fund Scheme in view of the judgement of Income Tax Tribunal in O. P. Sharma *Vs* ITO (1986) 17 ITD 45 (Jp.); and

(d) if so, why this benefit is not being given to GPF subscribers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) No, Sir.

(b) The provisions of Section 24 of the Income Tax Act provide for deduction of the amount of any interest payable on borrowed capital. Non-refundable withdrawal from General Provident Fund is not in the nature of borrowed capital. Therefore loss of interest in such cases is not allowed as deduction u/s 24 of the Income Tax Act.

(c) and (d) As per the Judgement of Income Tax Tribunal in O.R Sharma *Vs* ITO (1986) 17ITD 45 (Jp.), the Assessing Officer was directed to allow such part of the interest paid by the assessee as does not belong to him u/s 24 of the Income Tax Act. In case of non-refundable withdrawal from General Provident Fund, the amount belongs to the subscriber himself and is not to be repaid. Therefore, the loss of interest is not deductible u/s 24 of the Income Tax Act.

**Ban on New Recruitment**

†3317. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that no effort has been made to find the solution of the problem such as unemployment in the budget 2003-04;

(b) the total number of unemployed persons in the country at present under literate/illiterate/semiliterate/skilled/unskilled categories;

(c) whether it is also a fact that instead of removal of unemployment ban is being imposed on new recruitment in Government jobs and many posts are being abolished;

(d) if so, the details thereof; and

(e) Government's attitude towards unemployment in the light of said facts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No Sir. On the contrary one of the 'Panch Priorities' mentioned in the budget 2003-04 includes "powerty eradication, addressing the lifetime concerns of our citizens covering health, housing, and employment". In particular the budget allocates substantial outlay on infrastructure development and agriculture development which would provide opportunities for higher employment.

(b) As per the results of National Sample Survey Organisation on employment and unemployment (55th round 1999-2000) the number of unemployed has increased from 20.13 million in 1993-94 to 26.58 million in 1999-2000. In general, unemployment rates are higher in urban areas than rural areas. Female unemployment rates are generally higher than

†Original notice of the question was received in Hindi.